

# COMMITTEE STATEMENT

## LB 1104

HEARING DATE: February 22, 2000

COMMITTEE ON: Nebraska Retirement Systems

TITLE: (Lynch) Change state and county deferred compensation plan provisions

### ROLL CALL VOTE – FINAL COMMITTEE ACTION

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Advanced to General File

X Advanced to General File with Amendments

Indefinitely Postponed

#### Vote Results:

5	Yes	Senators Bruning, Crosby, Stuhr, Wehrbein, and Wickersham
	No	
	Present, not voting	
1	Absent	Senator Bourne

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#### PROPONENTS

Sherry Andrews  
Beth Bazyn Ferrell

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#### REPRESENTING

Introducer, Senator Dan Lynch  
NE Association of County Officials

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#### OPPONENTS

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#### REPRESENTING

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#### NEUTRAL

Shawn Nowlan

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#### REPRESENTING

Public Employees Retirement Board

#### SUMMARY OF PURPOSE AND/OR CHANGES:

##### **Section 1 (§ 48-1401)**

This section makes changes to the political subdivision deferred compensation plan. According to subsection (1), any political subdivision may enter into an agreement to defer a portion of any individual's compensation and it shall be voluntary. Subsection (2) clarifies that deferred compensation may not exceed the limits established by the I.R.S.

Subsection (12) is expanded to clarify that if a county has entered into an agreement with an individual to defer a portion of their compensation to be placed into a state deferred compensation plan, such county is not precluded from entering into an agreement to participate in a separate deferred compensation program. It further states that such individual participating in a state

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deferred plan shall be afforded the opportunity to either join the county deferred plan and not continue in the state deferred plan **or** continue in the state plan and not participate in the county plan.

Subsection (12) goes on to state that the county deferred compensation plan may accept cash rollover contributions from an individual who wishes to join the county deferred plan and not continue with the state plan. Said transfer shall occur within 60 days.

### **Section 2 (§84-1504)**

Section 2 is amended to be consistent with the changes in section 1. It states that individual is defined, *inter alia*, as any county employee whose employer has subsequently offered a deferred compensation plan and who has chosen to continue to participate in the state plan and not in the county plan.

### **Section 3**

Repealer.

### **Explanation of Amendments:**

Section 1 is amended by striking the rollover language and inserting that an individual may transfer deferred amounts under the state plan to the county deferred compensation plan when the individual terminates participation in the state plan and begins participation in the county plan. Such transfers shall be completed within ninety days.

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Senator